

STATE OF VERMONT
PUBLIC SERVICE BOARD

SPECIAL CONTRACT APPROVAL

Re: S.C. #876

The contract for ELECTRIC service between the **Town of Stowe Electric**
Department ("Stowe Electric") and **Mt. Mansfield Company, Inc.** ("Mt. Mansfield")
for the period beginning October 1, 2009, and continuing through September 30, 2010, and providing
for off-peak snowmaking service to the Mt. Mansfield Ski Area for the 2009/2010 winter snow-
making period under the conditions set forth in the Contract attached hereto is hereby approved, with
the conditions as set forth herein, as provided by Title 30, Section 229 of the Vermont Statutes
Annotated. This proposed special contract replaces Special Contract No. 851.

In a letter filed September 2, 2009, the Vermont Department of Public Service
("Department") recommended that the Public Service Board approve this contract without
investigation or hearing. The DPS noted that Stowe Electric stated in its letter that it intends to
implement a new tariff to serve Mt. Mansfield by the expiration of the contract. The Department
requested that the Board impose an obligation upon Stowe Electric to do so as part of our approval.

We accept the Department's recommendation to approve this contract; however, we are not
adopting the Department's suggestion to require Stow to convert this contract to a tariff. If Mt.
Mansfield can be effectively served by Stowe Electric pursuant to a tariff instead of a special
contract, we encourage Stowe Electric to work with Mt. Mansfield and the Department to take the
steps necessary to move the customer's service to a tariff before expiration of the term of this
contract.

In our approvals of other special contracts, the Board has required that the utility demonstrate
that the special contract customer is participating to the fullest extent possible in cost-effective
energy efficiency programs. Such programs provide benefits both to the customer and to the utility
system as a whole. On September 21, 2009, Mt. Mansfield filed a report that details the energy
efficiency activities Mt. Mansfield completed during the last year.

We again condition approval of this contract upon Mt. Mansfield's participation in all
applicable cost-effective demand-side management ("DSM") programs offered by Efficiency
Vermont. Stowe Electric, on behalf of Mt. Mansfield, shall file a progress report on DSM activities

at the time of any request for contract renewal which shall include (1) a description of individual DSM projects completed during the year, (2) an estimate of energy and demand savings for each project, (3) the dollar amount invested in each project, and (4) a description of DSM activities planned for the proposed contract period. Approval is also conditioned upon the requirement that Mt. Mansfield consult with Efficiency Vermont when replacing energy equipment or systems. This contract shall also be subject to the Energy Efficiency Charge ("EEC"). If necessary, the contract shall be modified to reflect the current EEC rates.

Our approval of this Special Contract reflects our overall judgment that, as conditioned, it meets the strictures of 30 V.S.A. § 229. Except as specifically conditioned, our approval should not be construed as approval or disapproval of any of the specific negotiated terms, or as a determination that those terms are, or are not, cost-effective for the contracting customer or otherwise in the contracting customer's best interest.

Stowe Electric shall provide a copy of this Special Contract Approval to the contracting customer within ten days of its receipt.

DATED at Montpelier, Vermont, this 21st day of September, 2009.

<u>s/ James Volz</u>)	
)	PUBLIC SERVICE
)	
<u>s/ David C. Coen</u>)	BOARD
)	
)	OF VERMONT
<u>s/ John D. Burke</u>)	

OFFICE OF THE CLERK

Filed: September 21, 2009

Attest: s/ Susan M. Hudson
Clerk of the Board